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Report on the activities of the Office of Internal Oversight Services

Audit of the implementation of the global field support strategy

Report of the Office of Internal Oversight Services

"Overall results relating to the effective implementation of the global field support strategy were partially satisfactory"

Summary

Pursuant to General Assembly resolution 64/269, the Office of Internal Oversight Services conducted an audit of the implementation of the global field support strategy by the Department of Field Support. The objective of the audit was to assess the adequacy and effectiveness of the governance, risk management and control processes of the Department in providing reasonable assurance regarding the effective implementation of the strategy.

In the opinion of the Office of Internal Oversight Services, the governance, risk management and control processes of the Department of Field Support that were examined were partially satisfactory in providing reasonable assurance regarding the implementation of the global field support strategy.

The Department has implemented mechanisms for the governance of the implementation of the global field support strategy and for oversight and coordination of and consultation on global field support strategy activities, although these need to be reviewed and revised to remain relevant. There is also a need to implement a comprehensive framework to monitor and manage risks, develop additional criteria for determining the qualitative benefits of implementing the global field support strategy and establish a comprehensive performance management framework to link performance indicators and targets to its overall strategic goals.

The Office of Internal Oversight Services issued six recommendations to the Department of Field Support for further strengthening internal controls. All the recommendations made by the Office were accepted by the Department.

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Contents

		Page
I.	Background	3
II.	Objective and scope	4
III.	Audit results	4
	A. Governance, risk management and strategic planning	5
	B. Programme management	9
	C. Coordinated management mechanisms	12
	D. Communication and engagement	13
Annex		
	Comments received from the Department of Field Support on the draft report of the Office of Internal Oversight Services on the audit of the implementation of the global field support strategy	15

I. Background

1. Pursuant to General Assembly resolution 64/269, the Office of Internal Oversight Services (OIOS) conducted an audit of the implementation of the global field support strategy by the Department of Field Support (the Department).

2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure: (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.

3. The global field support strategy is a five-year programme to transform the delivery of support services to United Nations field missions (see A/64/633). It is aimed at enabling timelier mission start-up and deployment and improving quality and efficiency while achieving economies of scale in the delivery of services to missions. The global field support strategy seeks to achieve this through the strengthening of resource management frameworks, the realignment and movement of support operations, including the establishment of regional service centres, and the implementation of an integrated human resources management framework. In its resolution 64/269, the General Assembly noted that the global field support strategy outlined a broad and useful framework for improving the efficiency and effectiveness of service delivery to field missions.

4. The global field support strategy has four distinct but integrated pillars of implementation:

(a) **Service centres**: the creation of global and regional service centres, including re-profiling the United Nations Logistics Base at Brindisi, Italy, and the United Nations Support Base at Valencia, Spain, as the Global Service Centre and the movement of functions from field operations to regional service centres;

(b) **Predefined modules and service packages**: the establishment of deployment modules to improve the speed and predictability of the deployment of the military, police and civilian components of field missions, particularly in start-up or surge operations;

(c) **Financial framework**: the modification of mission financing arrangements so as to expedite the timely deployment of material and human resources to missions;

(d) **Human resources framework**: the reinforcement of rapidly deployable standing and standby capacities through arrangements with contractors, military support, short-term consultants and individual contractors, and rosters of capable and rapidly deployable resources.

5. An important premise of the global field support strategy is that implementation costs will be offset by expected savings and efficiency gains. There is no specific implementation budget for the strategy, with the exception of a Senior Programme Officer post and general temporary assistance resources approved for a team leader post within the Programme Implementation Coordination Team for the global field support strategy.

II. Objective and scope

6. The audit of the implementation of the global field support strategy was conducted to assess the adequacy and effectiveness of the Department's governance, risk management and control processes in providing reasonable assurance regarding the effective implementation of the strategy.

7. The key controls tested for the audit were: (a) governance, risk management and strategic planning; (b) programme management; (c) coordinated management; and (d) communication and engagement. For the purpose of the audit, OIOS defined these key controls as follows:

(a) **Governance, risk management and strategic planning**: controls that provide reasonable assurance that risks relating to the implementation of the global field support strategy are identified and assessed and that action is taken to mitigate and anticipate risks;

(b) **Programme management**: controls that provide reasonable assurance that there is sufficient project management capacity to effectively implement the global field support strategy in accordance with resolutions and a system to report programme performance in a timely, accurate and complete manner;

(c) **Coordinated management**: controls that provide reasonable assurance that a coordinated oversight mechanism exists for joint, coordinated projects and actions involving multiple entities;

(d) **Communication and engagement**: controls that are designed to provide reasonable assurance that changes are adequately communicated and that issues affecting or involving others are identified, discussed and resolved promptly and in the appropriate forum.

8. The key controls were assessed for the control objectives shown in the table below. Certain control objectives (shown in the table as "Not applicable") were not relevant to the scope defined for this audit.

9. OIOS conducted the audit from October to December 2011. The audit covered the period from 1 July 2010 to 30 November 2011.

10. OIOS conducted an activity-level risk assessment to identify and assess specific risk exposures and to confirm the relevance of the selected key controls in mitigating associated risks. Through interviews, analytical reviews and tests of controls, OIOS assessed the adequacy and effectiveness of internal controls.

11. Comments provided by the Department of Field Support are incorporated.

III. Audit results

12. In the opinion of OIOS, the governance, risk management and control processes of the Department of Field Support that were examined were partially satisfactory in providing reasonable assurance regarding the effective implementation of the global field support strategy.

13. The overall rating is based on the assessment of the key controls presented in the table. The Department has implemented mechanisms for the governance of the implementation of the global field support strategy and for oversight and

coordination of and consultation on its activities, although these need to be reviewed and revised to remain relevant. There is also a need to implement a comprehensive framework to monitor and manage risks, develop additional criteria for determining qualitative benefits of implementing the global field support strategy and establish a comprehensive performance management framework to link performance indicators and targets to its overall strategic goals.

Assessment of key controls for the effective implementation of the global field support strategy, by control objective

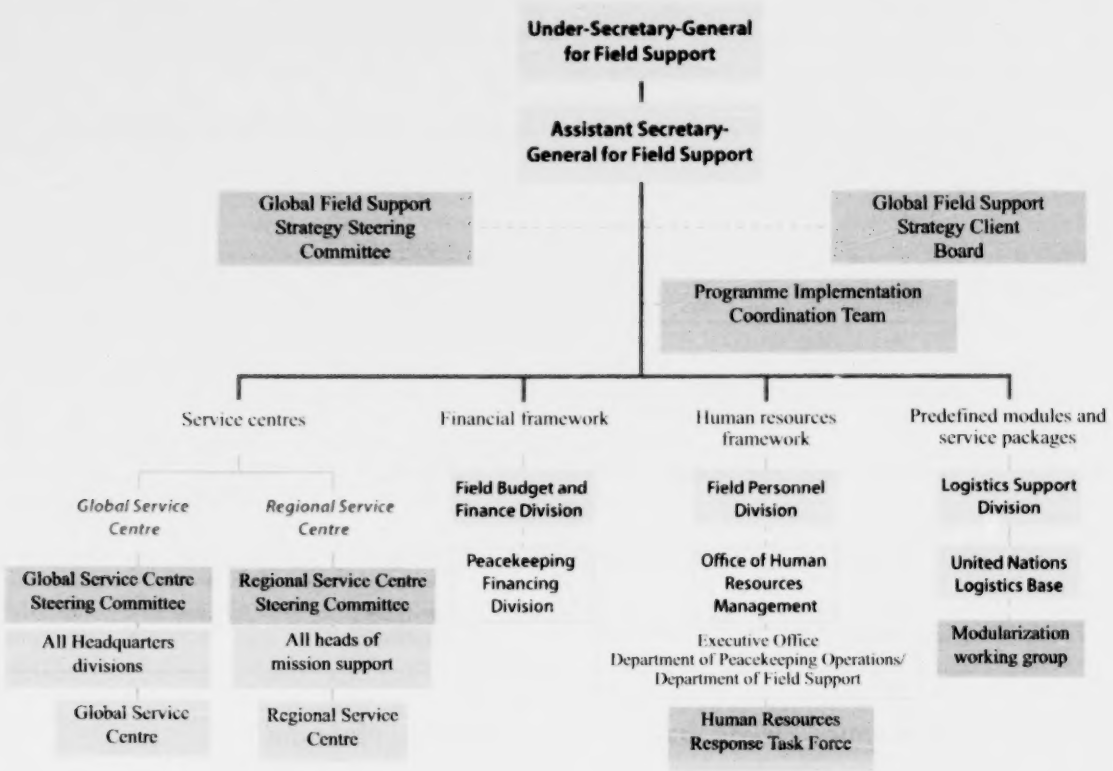
	Control objectives			
Key controls	*Efficient and effective operations*	*Accurate financial and operational reporting*	*Safeguarding of assets*	*Compliance with mandates, regulations and rules*
(a) Governance, risk management and strategic planning	Partially satisfactory	Not applicable	Not applicable	Satisfactory
(b) Programme management	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
(c) Coordinated management	Satisfactory	Not applicable	Not applicable	Not applicable
(d) Communication and engagement	Satisfactory	Partially satisfactory	Not applicable	Partially satisfactory

A. Governance, risk management and strategic planning

1. Governance structures

14. The directors of the Department of Field Support are responsible for the implementation of the global field support strategy in their respective areas. This arrangement has been enacted to align responsibility with accountability. The Department has implemented a governance framework that includes a Global Field Support Strategy Steering Committee (established in August 2009), with members from the Departments of Field Support, Management, Peacekeeping Operations and Political Affairs, as well as mission representatives, to oversee implementation of the global field support strategy and provide for effective decision-making. Other governance structures created to guide the implementation of specific global field support strategy initiatives include the Regional Service Centre Steering Committee, established in September 2010 as the decision-making body for the Regional Service Centre in Entebbe, Uganda, and, more recently, the Global Service Centre Steering Committee, the Global Field Support Strategy Client Board and the Human Resources Response Task Force. The roles and responsibilities of these committees have been defined and promulgated. The components of the overall governance framework are illustrated in the figure below.

Governance structures and responsibilities for the implementation of the global field support strategy


Under-Secretary-General for Field Support
Assistant Secretary-General for Field Support
Global Field Support Strategy Steering Committee
Global Field Support Strategy Client Board
Programme Implementation Coordination Team
Service centres
Financial framework
Human resources framework
Predefined modules and service packages
Global Service Centre
Regional Service Centre
Field Budget and Finance Division
Field Personnel Division
Logistics Support Division
Global Service Centre Steering Committee
Regional Service Centre Steering Committee
Peacekeeping Financing Division
Office of Human Resources Management
United Nations Logistics Base
All Headquarters divisions
All heads of mission support
Executive Office Department of Peacekeeping Operations/ Department of Field Support
Modularization working group
Global Service Centre
Regional Service Centre
Human Resources Response Task Force

15. The Global Field Support Strategy Steering Committee is tasked during implementation of the strategy to provide overall direction and guidance, monitor the external environment and review each completed implementation phase, as well as to: (a) commit resources required by the phased implementation plan; (b) assess exception situations and arbitrate conflicts; (c) assume ownership of high-level risks; and (d) approve changes in the scope of the strategy. The membership of the Steering Committee was not clearly defined and minutes of meetings were not always available. As of November 2011, it had met four times since its establishment, twice in 2009, once in 2010 and once in 2011. The focus of those meetings consisted mainly of status updates by the Department's leadership and management on progress in the implementation of the strategy.

16. Most of the strategic planning, risk management and monitoring and reporting on progress in the implementation of the global field support strategy was done through one-on-one meetings between the directors and other field support managers, including the directors/chiefs of mission support in field missions, and at times during the weekly directors' meetings chaired by the Under-Secretary-General for Field Support. These decision-making mechanisms are not reflected in the formal governance framework of the global field support strategy, and no regular agenda or detailed minutes of the meetings were available. As a result, important

deliberations, decisions and actions arising from those meetings and other interactions concerning the implementation of the global field support strategy are not routinely documented.

17. The Department has established governance structures for overseeing the organization of processes at the global and regional service centres. However, no mechanism or responsibility was given to existing committees to assess the structure of functions remaining with the Department in New York or for overseeing the overall organizational, operational and reporting relationships of reconfigured field support functions as a whole, that is, at and between Department of Field Support headquarters, the service centres and missions. Currently, this role is performed informally through weekly directors' meetings.

Recommendation 1

The Department of Field Support should update the terms of reference of the Global Field Support Strategy Steering Committee and those of other governance mechanisms to ensure that they are aligned with current roles and responsibilities in the implementation of the global field support strategy and define the frequency of meetings, committee membership and committee relationships with other governance mechanisms of the strategy. Minutes of meetings and records of decisions should also be maintained.

The Department of Field Support accepted recommendation 1 and stated that in accordance with this recommendation, the terms of reference of the Global Field Support Strategy Steering Committee were updated and approved at its meeting of 14 February 2012. The membership was also updated and expanded. A forward meeting calendar, minutes and decisions are now posted on the global field support strategy website[a] and have been shared with members of the Steering Committee. A similar process is being undertaken for the other governance bodies to ensure that there are clear administrative arrangements for all of them.

[a] Access to this website is limited to users with an authorized user account.

2. Strategic planning

18. The global field support strategy envisages a separation of strategic and operational functions to achieve its overall aim of delivering timely, high-quality integrated services to missions. According to the Department, the creation of global and regional service centres, together with reconfigured capacities at Headquarters and field missions, will contribute to enhanced delivery of field support.

19. The Department is currently finalizing an end-state vision of the planned configuration and organizational structure for field support at the conclusion of the implementation of the global field support strategy. The delay in developing the end-state vision has meant that proposals for transferring and reorganizing support processes have proceeded in the absence of defined structures and lines of

accountability following the reconfiguration. This makes it difficult to assess resource and organizational implications.

Recommendation 2

Once the end-state vision is finalized, the Department of Field Support should review and reconfirm those functions proposed for transfer to the Global Service Centre and the Regional Service Centre, as well as the organization of remaining field support processes, to ensure that they remain aligned with the end-state vision.

The Department of Field Support accepted recommendation 2 and stated that the process for reviewing functions proposed for transfer to the service centres is clearly defined in the terms of reference of the steering committee of each service centre. At the regular meetings of the steering committees, members review and approve each function identified for transfer based on completed functional analysis models. Committee members have reviewed the end-state non-paper and provided feedback. Furthermore, alignment with the end-state vision is considered by the committee members in the course of their regular work.

3. Risk management

20. In developing its risk management framework, the Department conducted a control self-assessment, facilitated by OIOS, to collect the views of managers and staff on key global field support strategy implementation risks and the effectiveness of mitigating controls. This resulted in the compilation of a register of risks and actions required to mitigate them. In addition, the Regional Service Centre in Entebbe has conducted a risk assessment relating to functions to be transferred to it and, pending availability of appropriate resources, is planning a detailed assessment of its overall risks.

21. The responsibility for development of a risk management framework was assigned to the Programme Implementation Coordination Team for the global field support strategy. The Department has begun to implement mitigating measures for some of the identified risks associated with the global field support strategy. For example, the Department has prepared a communication strategy for engaging staff and stakeholders on implementation of the strategy. However, limited progress has been made in developing a comprehensive risk management framework to monitor and manage risks, owing to staff vacancies in the Programme Implementation Coordination Team and the lack of involvement of the Department's risk management officer.

Recommendation 3

The Department of Field Support should finalize and implement an effective risk management framework to ensure that risks relating to the global field support strategy are systematically monitored and that measures are taken to mitigate risks in a timely manner.

The Department of Field Support accepted recommendation 3 and stated that a risk management framework for the overall strategy that includes a systematic plan for managing and monitoring risks is under development. The framework will be aligned with the Department of Field Support Risk Management Policy, as well as the Department of Management's broader enterprise risk management policy for the United Nations.

B. Programme management

1. Development and planning of implementation activities

22. The directors of the four divisions of the Department of Field Support at Headquarters were tasked with reviewing their processes to identify those to be transferred to the Global Service Centre. The Director of the Global Service Centre is responsible for supporting and advising the division directors on the processes proposed for transfer and the Programme Implementation Coordination Team is responsible for coordinating the work of the divisions and the Global Service Centre.

23. A standard functional analysis methodology model was developed for use by division directors in identifying and proposing processes for transfer from Headquarters to the Global Service Centre. Flexibility was given to division directors in identifying processes for transfer that met the following two criteria: (a) the process is transactional in nature; and (b) the process does not involve any interaction with Member States or with other implementing partners within the Secretariat. Once a process had been identified, a process mapping exercise was to be completed along with a cost-benefit analysis.

24. The functional analysis methodology model did not include an assessment of the qualitative benefits of transferring processes to the Global Service Centre. Focusing only on quantifiable costs of transferring processes may be inadequate for making decisions as, in addition to achieving economies in field support, the global field support strategy aims to improve the quality and timeliness of field support and to enhance accountability and oversight of support activities. While geographic proximity has been given as a reason for justifying moving processes from Headquarters to the Global Service Centre, additional qualitative analysis may demonstrate other relevant considerations that are not shown by quantitative analysis alone.

25. In addition, the cost-benefit analyses prepared by the divisions did not include all relevant costs for the processes proposed for transfer, such as the non-staff recurring costs and one-time staff investments.

Recommendation 4

The Department of Field Support should complete comprehensive cost-benefit analyses for processes proposed for transfer to the Global Service Centre. These analyses should include all related indirect costs, as well as associated qualitative considerations, so that decision makers have access to all information relevant to the proposed transfer.

The Department of Field Support accepted recommendation 4 and stated that the 2012/13 budget submission proposing the transfer of posts reflects the cost-benefit analysis provided in the functional analysis worksheets as well as a summary of the qualitative benefits anticipated in the transfers. Additional information on non-staff recurring costs and one-time costs associated with the transfer was included in the analysis provided to the Advisory Committee on Administrative and Budgetary Questions at its current session.[a]

[a] These documents had not yet been finalized and hence were not available to OIOS at the time of the audit.

2. Performance measurement and monitoring

26. The Department has started to develop performance indicators for some implementation initiatives, including for the modularization pillar and the Regional Service Centre. However, there is no comprehensive performance management framework that links the performance indicators and targets to the overall strategic goals of the global field support strategy, including expected improvements in quality or timeliness of service delivery.

27. In some cases, it will only be possible to demonstrate improvements in service delivery once the planned consolidation and streamlining of structures relating to administrative processes have been completed. Nonetheless, the early development of a performance framework linking targeted improvements to service delivery will provide clear parameters within which this streamlining should take place. It will also help to identify those areas where improvements to service delivery are immediately achievable and will allow better measurement of implementation progress and results.

28. The Department has recognized the need to introduce key performance indicators to support implementation of the global field support strategy and, following the audit of the global field support strategy by the Board of Auditors, the introduction of key performance indicators will be expedited, as reported in the second progress report on the implementation of the strategy (A/66/591, para. 9).

29. The Department further commented that key performance indicators and their related benchmarks had been developed for the modularization pillar and for the Regional Service Centre and were under development for the other pillars. A system would be implemented to monitor and report on these indicators.

30. The annual budgeting process has been the key driver in establishing the milestones for the implementation of the global field support strategy. While implementation plans have been developed for particular actions within each pillar, there is no overarching implementation plan that links initiatives within each pillar

to the achievement of the overall strategic five-year goals of the global field support strategy. The absence of an overarching implementation plan and indicators will make assessment of progress and results difficult and hinders use of the global field support strategy as a tool for ensuring the accountability of responsible managers for implementation actions and for taking and monitoring corrective action where necessary.

31. The Department stated that the global field support strategy, as a change management strategy, contained a series of different levels of planning that were designed to provide the Secretariat, particularly the Department of Field Support, with a road map for the implementation of a new service delivery model that remained sufficiently flexible to reflect and respond to changing realities, in accordance with the wishes expressed both by Member States and the leadership of field missions.

32. In its report on the accounts of the United Nations peacekeeping operations for the financial period ending 30 June 2011,[1] the Board of Auditors recommends that the Department develop a comprehensive plan that elaborates in greater detail under the four pillars the main goals, key activities, milestones and benchmarks for implementation of the global field support strategy and that this be incorporated in the annual progress report of the Secretary-General on the implementation of the strategy.

3. Performance reporting

33. As field support processes are transferred between locations, access to timely and comprehensive information will be required for decision-making and reporting purposes. For example, the Department proposes transferring 172 posts during 2012/13 in the areas of finance and human resources from the United Nations Mission in South Sudan, the African Union-United Nations Hybrid Operation in Darfur and the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo to the Regional Service Centre in Entebbe. However, 345 posts will remain in the three missions to perform location-specific finance and human resources functions. Although the reconfigured post requirements were to be reflected in 2012/13 budget proposals for each mission, there was no consolidated report showing the reconfigured post structures across the missions and the Regional Service Centre in Entebbe. Consolidated and timely reporting of the total personnel across all locations devoted to each function will enable a more informed analysis and comparison of the changes made to these functions compared with past practice, helping to identify achievements as well as opportunities for efficiency gains.

34. The Department stated that the reporting of the transfer of posts was being done through the budget process. In addition, the Department would present a comprehensive report on resources applicable to the Regional Service Centre in Entebbe as an addendum to the progress report on the implementation of the global field support strategy.[2]

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[1] To be issued as A/66/5 (Vol. II).

[2] The 2012/13 budget documents and the comprehensive report had not been finalized and were not available to OIOS at the time of the audit.

C. Coordinated management mechanisms

1. Coordination mechanisms

35. The Department has established structures for coordinating activities at various levels across each pillar of the global field support strategy. For example, the Global Field Support Strategy Client Board, composed of military and police components of field missions and the Department of Peacekeeping Operations, is intended to meet twice yearly to provide feedback, validate priorities and suggest corrective actions on initiatives concerning the global field support strategy. Moreover, representatives of field missions that are involved in the design and implementation of actions related to the strategy participate in meetings of the modularization working group and the Regional Service Centre Steering Committee. In addition, working groups have been established to coordinate activities among Secretariat partners within the modularization and human resources pillars.

36. Notwithstanding these mechanisms, some Secretariat partners had limited appreciation or knowledge of the implications of the implementation of the global field support strategy for their operations or of progress in implementation. This could be partly attributable to the infrequency of meetings of the Global Field Support Strategy Steering Committee, as well as the nature of the issues discussed during its meetings.

37. The Department commented that it was currently reviewing the terms of reference and the membership of its various governance bodies to ensure that they meet current priorities and engage the appropriate group of stakeholders.

2. Internal coordination within the Department

38. The Global Service Centre Steering Committee was established in September 2011 as the decision-making body for the Global Service Centre. According to its terms of reference, the Global Service Centre Steering Committee is tasked with overseeing and deciding on processes to be transferred to the Global Service Centre. The directors of the four divisions at Headquarters and the Director of the Global Service Centre are required to coordinate in identifying processes that could be transferred to the Centre.

39. The late establishment of the Global Service Centre Steering Committee (the terms of reference had been proposed first in January 2011 and again in July 2011) has meant that it has so far played only a limited role in coordinating identification of, and overseeing and deciding on, processes to be transferred. By the time the Steering Committee first met, preparatory changes to the United Nations Logistics Base at Brindisi and the United Nations Support Base at Valencia for the transition to the Global Service Centre were already under way. As implementation proceeds, greater use of the Steering Committee provides an opportunity to ensure the alignment of structures and processes between Headquarters and the Global Service Centre, as well as approaches to dealing with common transition challenges.

40. The Department commented that engagement to date has corresponded to the phase of implementation. Until the functions for relocation were identified, coordination between divisions and the Global Service Centre was limited. However, now that functions have been identified, there has been a marked increase in the level of engagement through weekly and biweekly video- and teleconferences and site visits.

D. Communication and engagement

41. Through both formal and informal mechanisms, the Department has extensively engaged with intergovernmental bodies on the overall development and strategic direction of the global field support strategy.

42. The responsibility for communicating information to staff on the implementation of the global field support strategy has been assigned to divisional directors and directors/chiefs of mission support. In addition, the Programme Implementation Coordination Team for the global field support strategy has developed a communications strategy that outlines a timetable and a series of actions for engagement and communication with staff. The Department has also recently conducted a survey of senior leadership and managers in the field and at Headquarters on the quality of support provided by the Department, identifying areas for improvement and comparing levels of satisfaction with the results from a similar survey conducted in 2008. The Client Board will be the forum for obtaining military and police perspectives on the implementation of the global field support strategy.

43. The recently convened Human Resources Response Task Force has consulted with staff of the Department to seek opinions and views on issues affecting staff whose functions may be transferred away from Headquarters, an important step in managing the changes associated with the reorganization. The Office of Human Resources Management participates in the Task Force and through ad hoc engagement.

44. However, there is no formal forum for obtaining the views of other substantive staff within field operations, including special political missions. To date, there has been no regular review of the membership of the relevant working groups, nor of the other mechanisms for the engagement of Secretariat partners. This is a complex and evolving environment. The absence of such reviews could mean that some stakeholders are not included in key discussions and are therefore not sufficiently well informed to allow them to make sound decisions with regard to the implementation process.

Recommendation 5

The Department of Field Support should regularly review the membership of its working groups and other mechanisms for engagement with Secretariat partners to ensure the participation of relevant and appropriate representatives.

The Department of Field Support accepted recommendation 5 and stated that as part of the process of updating the terms of reference for its governance bodies, it has updated and expanded the membership of the Global Field Support Strategy Steering Committee and is also reviewing the membership of other committees to ensure that they engage the appropriate stakeholders to meet current implementation governance priorities and needs.

45. Maintaining existing levels and quality of field support services during the relocation and reconfiguration of support functions requires the Department to plan not only for the transfer or reassignment of staff across functions or locations, but also to ensure that existing knowledge and expertise in support delivery is captured. To ensure that this occurs, the Department will rely on existing staff, especially for the direction and training of newly assigned or recruited staff. As a result, there is a need for continued good communication and engagement with staff to facilitate acceptance of the global field support strategy, which will allow the anticipated changes to proceed more easily. The assignment of resources for planning for and managing the transition, including staff training and recruitment, would also be required. Plans for knowledge management and staff training in the transition period had not yet been developed.

Recommendation 6

The Department of Field Support should develop training plans and implement measures for managing the movement of processes to the global and regional service centres to ensure that existing levels of service quality are maintained during the transition phase. This should be done through the dedication of resources for training of new staff or for the formal documentation of knowledge on existing processes, in addition to the current efforts aimed at communicating and managing the impact of the global field support strategy on existing staff.

The Department accepted recommendation 6 and stated that the respective steering committees met regularly to review and update plans, as well as conduct necessary management arrangements for the transfer of functions from United Nations Headquarters to the Global Service Centre and from missions to the Regional Service Centre. The Department also commented that this included the need to identify resources to support training and capacity development and may also include meeting requests by divisions for a one-time investment to support the initiatives, as is the case in the current budget submissions.

(*Signed*) Carman L. **Lapointe**
Under-Secretary-General for Internal Oversight Services

Annex

Comments received from the Department of Field Support on the draft report of the Office of Internal Oversight Services on the audit of the implementation of the global field support strategy[a]

I refer to your memorandum dated 10 February 2012, regarding the above-mentioned audit. Please find attached our comments on the recommendations contained in the draft report.

Thank you for the opportunity to comment on the draft report. We stand ready to provide any further information that may be required.

Recommendation 1

Following this recommendation, the Global Field Support Strategy Steering Committee terms of reference have been updated and approved by the Under-Secretary-General for Field Support and the Global Field Support Strategy Steering Committee at its meeting on 14 February 2012. The membership was also updated and expanded and new members attended this meeting. A forward meeting calendar, minutes and decisions are posted on the global field support strategy website and have been shared with committee members. A similar process is being undertaken for the other governance bodies as well, ensuring clear administrative arrangements for each.

Recommendation 2

The process of reviewing proposed functions to be transferred to the service centres is clearly defined in the terms of reference for the steering committee of each service centre. In their regular meetings, Global Service Centre and Regional Service Centre Steering Committee members review and approve each function identified for transfer based on completed functional analysis models. Members of these committees have reviewed the end-state non-paper, and provided feedback. Furthermore, alignment with the end-state vision is considered by the committee members in their regular work.

Recommendation 3

A risk management framework for the overall strategy that includes a systematic plan for managing and monitoring risks is under development. The framework will be aligned with the Department of Field Support risk management policy, as well as the Department of Management's broader enterprise risk management policy for the United Nations.

[a] The Office of Internal Oversight Services (OIOS) herewith presents the full text of comments received from the Department of Field Support on the OIOS draft report on the audit of the implementation of the global field support strategy. The inclusion of this information is in line with the decision of the General Assembly in its resolution 64/263, following the recommendation of the Independent Audit Advisory Committee. Overall, the Department concurred with the recommendations of OIOS. The comments of the Department on the draft report have been incorporated, as appropriate, into the final report. In some instances the recommendation numbers referred to in the comments received from the Department do not correspond to the recommendation numbers in this final report.

Recommendation 4

The 2012/13 budget submissions from the Department of Field Support divisions proposing the transfer of posts reflect the cost/benefit analysis provided in the functional analysis worksheets as well as a summary of the qualitative benefits anticipated in the transfers. Additional information on non-staff recurring costs and one-time costs associated with the transfer were included in analysis provided to the Advisory Committee on Administrative and Budgetary Questions at its current session.

Previous draft recommendation 5 (this recommendation no longer appears in the final report)

Background

The Report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ending 30 June 2011 made recommendations similar to OIOS recommendation 5. The Board recommended that the Administration: (a) develop a comprehensive plan which elaborates in greater detail under the four pillars the main goals, key activities, milestones, benchmarks/baselines and the way to implement the global field support strategy and to achieve the benefits; and (b) incorporate the enhanced detail in the Secretary-General's annual progress report for the General Assembly's review (see A/66/5 (Vol. II), para. 203).

In this connection, the Secretariat offered a formal response to this recommendation and indicated that the global field support strategy as a change management strategy contained a series of different levels of planning that were designed to afford the Secretariat and Department of Field Support in particular with a road map for the implementation of a new service delivery model that remained flexible enough to reflect and respond to the changing realities as expressed by both Member States and the leadership of the field missions. As such, the Department of Field Support commented that the overall high-level plan had been presented in the report of the Secretary-General on progress in the implementation of the global field support strategy (A/65/643, annex I). There are three reports (A/65/696, A/65/760 and A/66/591) which present the details of the plan for the Global Service Centre and the Regional Service Centre in Entebbe. Additional annual progress reports will continue to update this comprehensive information. The Board, however, remains of the view that there is a need for greater detail and clarity in the planning and progress monitoring of the strategy. In this connection, the notion that the global field support strategy serves as a strategic platform to enable a cultural shift that must be managed underscores the need to reach the right balance between detailed plans developed for each of the pillars, the need to ensure meaningful consultation with stakeholders, including the Member States, Secretariat implementing partners (the Departments of Peacekeeping Operations, Political Affairs and management, the Office of Internal Oversight Services and the Office of Legal Affairs) and the senior leadership of field missions, while always bearing in mind the absolute need to continue to provide services in a manner that never compromises service delivery to the field. A good example of meeting this balance is found in development of the five-year modularization plan (see A/66/591). This plan was developed through a consultative process of engagement with specialists from the Special Committee on Peacekeeping Operations, as well as with experts from field missions.

Establishment of key performance indicators

Key performance indicators (KPIs) and their related benchmarks have been developed for the modularization pillar and for the Regional Service Centre and presented in the report of the Secretary-General on progress in the implementation of the global field support strategy, of 7 December 2011 (A/66/591). Key performance indicators for the other pillars are under development and a system will be implemented to monitor and report on the indicators. In this connection the second progress report in the implementation of the global field support strategy highlights the importance attributed to the introduction of key performance indicators, and notes that this work is being prioritized by the leadership of the Department of Field Support (A/65/591, para. 9). In this connection the global field support strategy also serves as a change management programme that promotes the introduction of KPIs.

As a case in point, the establishment of the Regional Service Centre in Entebbe is illustrative. In analysing the way in which a function was performed prior to the establishment of the Centre, for example, the processing of education grants in field missions, the reality was that while all missions complied with the filing requirements for education grants, each mission followed a slightly different workflow for the processing and filing of claims. In this type of environment, in which workflows for back-office transactional functions are adapted according to a variety of local factors in missions ranging from technical limitations to experience of staff performing the responsibilities to management preferences to priority afforded to the task locally, the standardization of workflows across missions is highly difficult to achieve. Through grouping these activities in a regional service centre and re-engineering the processes, standardization paves the way for benchmarking to occur through the introduction of key performance indicators. This process of change management that is an embedded concept of the global field support strategy is made possible through the introductions of each of its four pillars. Only when the processes have been standardized can benchmarking be implemented in earnest. Given the necessary preparation for the implementation of International Public Sector Accounting Standards (IPSAS) and Umoja, this is a critical aspect of the global field support strategy change management programme and a priority for the Department in the 2012/13 budget cycle.

Detailed KPIs

The second progress report on the implementation of the global field support strategy highlights the importance attributed to the introduction of key performance indicators and notes that this work is being prioritized by the leadership of the Department of Field Support (A/66/591, para. 9). In this connection, the global field support strategy also serves as a change management programme that promotes the introduction of key performance indicators by promoting standardization, clear reporting and benchmarking.

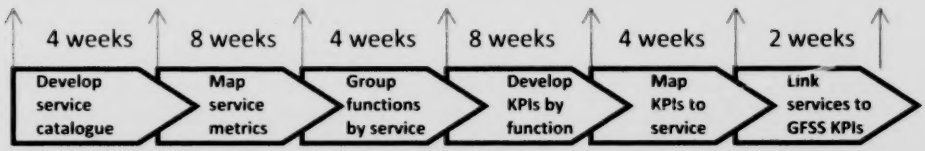
As presented in the progress report on the global field support strategy, key performance indicators have been developed for the functions and activities under way. The senior management of the Department of Field Support is, however, devising a routine performance analysis model that will enable management to take decisions about strategic direction, while strengthening the forecasting of service delivery that correlates with workforce utilization. The completion of the design of

this routine performance model requires the achievement of a certain degree of maturity in the implementation of the global field support strategy, in particular in terms of a solid governance framework. As this maturity has been achieved during the first year of implementation of the strategy, the planned next steps for the routine performance model include:

- Phase 1: Develop the service catalogue for all services delegated to Global and Regional Service Centres (current and forecasted)
- Phase 2: Map services to high-level metrics
- Phase 3: Group all functions into distinct services offered by the Regional Service Centre and the Global Service Centre
- Phase 4: Develop operational and functional key performance indicators at this stage for granularity
- Phase 5: Map all the key performance indicators to service and develop service cost delivery model
- Phase 6: Link all the service key performance indicators to strategic objectives and indicators of the global field support strategy

In order to be able to present the routine performance model to the Member States for their consideration through the next progress report on the global field support strategy, the following time frames to complete the above phases were established:

Plan to develop standardized key performance indicators (KPIs):



Total: 30 weeks

Previous draft recommendation 6 (this recommendation no longer appears in the final report)

The reporting of the transfer of posts is currently being done through the budget process. Additionally, the Department of Field Support is presenting a comprehensive report on resources applicable to the RSC in Entebbe as an addendum to the progress report on the global field support strategy.

Recommendation 5 (recommendation 7 of the draft report)

Please refer to our comments on recommendation 1 above. Furthermore, a review of the membership of all global field support strategy governance bodies is currently under way following the completion of this exercise for the Global Field Support Strategy Steering Committee.

Recommendation 6 (recommendation 8 of the draft report)

Respective steering committees meet regularly to review and update plans, as well as conduct necessary management arrangements for the transfers of functions from United Nations Headquarters to the Global Service Centre and from missions to the Regional Service Centre. This includes the need to identify resources to support training and capacity development and may also include meeting requests by divisions for a one-time investment to support these initiatives, as is the case in the current budget submissions.